February 16, 2021

The Honorable Chuck Schumer
Majority Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
H-232, The Capitol
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
H-204, The Capitol
Washington, D.C. 20515

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Pelosi, and Minority Leader McCarthy,

My name is Catherine Prather and I am the President of the National Tour Association (NTA). NTA is the leading business association for companies and organizations that serve customers traveling to, from, and within North America. Our 700 buyer members are tour operators and travel advisors who package travel domestically and around the world. Our seller members — 500 destinations and 1,100 tour suppliers — represent product in all 50 U.S. states, each Canadian province, and more than 40 other countries.

I am writing to urge you to make necessary changes to the Paycheck Protection Program (PPP) that will benefit a significant component of the travel and tourism industry – tour operators and travel advisors. Tour operators and travel advisors are the lifeblood of the industry and directly fuel and support other components of the industry through the tours they sell across North America and the world. Tour operators and travel advisors both directly and indirectly support hotels, restaurants, museums, theatres, National Parks, live venues, motorcoach operators, and countless other large and small business throughout the travel and tourism industry. They create more business for both large and small businesses and attractions and without them, these businesses would suffer more than they already are. What must not be forgotten is that tour operators and travel advisors themselves are suffering and are in dire need of additional support.

There is no denying that the PPP has been a massive success. According to the Small Business Administration (SBA), they have approved 60,000 loans submitted by 3,000 lenders during the seven days after resuming the PPP on January 11, 2021. According to an analysis from mid last year, the PPP supports 51.1 million jobs and as much as 84% of all small business employees. To date, the PPP has

1 https://www.sba.gov/article/2021/jan/19/60000-paycheck-protection-program-loans-approved-first-week
2 https://www.sba.gov/sites/default/files/2020-07/PPP%20Results%20-%20Sunday%20FINAL.pdf
approved more than $623 billion in loans since last March when the program was created as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.\(^3\)

Second Draw forgivable loans were enacted as part of the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA). According to the SBA, Second Draw PPP loans are for “eligible small businesses with 300 employees or less and that previously received a First Draw PPP loan. These borrowers will have to use or had used the full amount of their First Draw loan only for authorized uses and demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020. The maximum amount of a Second Draw PPP loan is $2 million.”\(^4\)

Accommodation and food services businesses, which include those with North American Industry Classification System (NAICS) codes beginning with 72 and largely include restaurants and hotels, are now eligible for Second Draw loans equivalent to 3.5 times their average monthly payroll, per CRRSAA.\(^5\) Tour operators and travel advisors, who directly support those accommodation and food services businesses, are only eligible for 2.5 times their average monthly payroll for Second Draw loans. Seeing as our members and other tour operators and travel advisors across the world are crucial to the vitality of these businesses and the entire travel and tourism industry, I ask that you rectify this disparity by leveling the playing field and making tour operators and travel advisors eligible for Second Draw loans that are 3.5 times their average monthly payroll. This additional loan capital would make a world of difference.

The importance of restoring our economic country’s health is vital to all of us. As you well know, travel and tourism have been decimated by the pandemic and it is my job to help my members and the industry in any way possible. Your leadership and the importance of the work of Congress, the SBA, lenders, and others cannot be overstated. The challenges ahead for the country and our industry are enormous. We want to be part of the solution and look forward to working with you to make commonsense changes to the PPP to help restore our economy. Tour operators and travel advisors need access to additional capital to not only weather this storm and continue supporting other businesses, but to also preserve their own livelihoods.

My organization and I look forward to working with you, the rest of Congress, President Biden, the SBA, and others in the coming months and years. Please do not hesitate to reach out if you have any questions or concerns.

Respectfully,

Catherine Prather, CTP
President
National Tour Association

\(^3\) [https://content.govdelivery.com/accounts/USSBA/bulletins/2c074f5](https://content.govdelivery.com/accounts/USSBA/bulletins/2c074f5)
